

VZCZCXYZ0020
RR RUEHWEB

DE RUEHGP #1714 1460844
ZNR UUUUU ZZH
R 260844Z MAY 06
FM AMEMBASSY SINGAPORE
TO RUEHC/SECSTATE WASHDC 0054
INFO RUCPDO/DEPT OF COMMERCE WASHDC
RUEATRS/DEPT OF TREASURY WASHDC

UNCLAS SINGAPORE 001714

SIPDIS

SIPDIS

E.O. 12958: N/A

TAGS: [EFIN](#) [ECON](#) [EINV](#) [ETRD](#) [SN](#)

SUBJECT: SINGAPORE SEEKS COMMENTS ON LIQUIDITY RISK

MANAGEMENT GUIDELINES

¶1. The Monetary Authority of Singapore (MAS) recently released for public comment guidelines to revise the liquidity risk framework for banks. Existing regulations, in place since 2001 (under MAS Notice 613), allow banks to adopt either a "general methodology" or a "risk-sensitive methodology," depending on the scope of their operations. MAS asserts that its proposals are designed to enhance banks' overall risk management by implementing changes to its minimum regulatory liquidity requirements, including an expanded range of eligible liquid assets.

¶2. The closing date for submission of comments is June 30, 2006. The MAS consultation paper is available at http://www.mas.gov.sg/masmcm/upload/mm/MM_4B9_A5DC7_D606_F5E9_67E3AEA6B42FE082__4B9A5DD7_D606_F5E9_62_AB2D8C42BC7F9A/ConsultationPaperMAS613.pdf

Comments may be submitted by email to liquidity@mas.gov.sg or mailed to:

Specialist Risk Supervision Department
Monetary Authority of Singapore
10 Shenton Way
MAS Building
Singapore 079117

Any inquiries may be directed to:

Gim Hoe Lim (ghlim@mas.gov.sg)
or Justina Lew (justinalew@mas.gov.sg).

HERBOLD